

Deloitte & Touche
Chartered Accountants

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AUDITORS' REPORT

SUNRISE INTERNATIONAL INC.

CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Sunrise International Inc.

SEPTEMBER 30, 1994

We have audited the consolidated balance sheets of SUNRISE INTERNATIONAL INC. as at September 30, 1994 and 1993 and the consolidated statements of earnings and deficit and changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 1994 and 1993 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.

Deloitte & Touche

Chartered Accountants

December 7, 1994

THIS IS EXHIBIT "D." AS REFERRED
TO IN THE ENCLOSED AFFIDAVIT.

J. Ripplinger
COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA.

JULIA E. RIPPLINGER

A Commissioner for Oaths

In and for the Province of Alberta

My Commission expires June 20, 1997

Deloitte & Touche
Chartered
Accountants

Deloitte &
Touche

Deloitte & Touche



Deloitte & Touche Chartered Accountants

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AUDITORS' REPORT

To the Shareholders of
Sunrise International Inc.

We have audited the consolidated balance sheets of **SUNRISE INTERNATIONAL INC.** as at September 30, 1994 and 1993 and the consolidated statements of earnings and deficit and changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 1994 and 1993 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.

Deloitte & Touche

Chartered Accountants

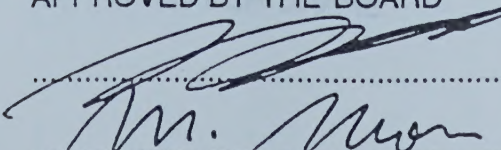
December 7, 1994

Deloitte Touche
Tohmatsu
International

SUNRISE INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
AS AT SEPTEMBER 30, 1994 AND 1993

	<u>1994</u>	<u>1993</u>
CURRENT ASSETS		
Accounts receivable	\$ 1,097,175	\$ 1,977,106
Inventories	1,955,819	928,688
Prepaid expenses and deposits	<u>220,500</u>	<u>182,528</u>
	3,273,494	3,088,322
OTHER RECEIVABLES	177,993	-
PROPERTIES HELD FOR DEVELOPMENT (Note 3)	1,414,424	1,178,522
RENTAL PROPERTIES (Note 4)	6,833,496	7,024,807
CAPITAL ASSETS (Note 5)	17,165,057	16,061,470
INVESTMENTS IN AND ADVANCES TO SIGNIFICANTLY INFLUENCED COMPANIES AND OTHER INVESTMENTS (Note 6)	1,225,946	1,033,659
DEFERRED COSTS	46,837	48,567
GOODWILL (Note 7)	<u>713,732</u>	<u>604,453</u>
	<u>\$30,850,979</u>	<u>\$29,039,800</u>
CURRENT LIABILITIES		
Bank indebtedness	\$ 743,159	\$ 74,005
Demand loan (Note 8)	500,000	150,000
Accounts payable and accrued liabilities	1,407,770	1,699,339
Income taxes payable	552,610	220,064
Deferred income taxes	280,000	115,000
Current portion of long-term debt (Note 9)	<u>1,538,779</u>	<u>1,444,745</u>
	5,022,318	3,703,153
LONG-TERM DEBT (Note 9)	13,882,389	13,813,555
MINORITY INTEREST	<u>217,230</u>	<u>191,393</u>
	<u>19,121,937</u>	<u>17,708,101</u>
CONTINGENCIES AND COMMITMENTS (Note 14)		
SHAREHOLDERS' EQUITY		
Share capital (Note 10)	12,271,839	12,271,839
Deficit	<u>(542,797)</u>	<u>(940,140)</u>
	<u>11,729,042</u>	<u>11,331,699</u>
	<u>\$30,850,979</u>	<u>\$29,039,800</u>

APPROVED BY THE BOARD

.....Director

.....Director

SUNRISE INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF EARNINGS AND DEFICIT
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

	<u>1994</u>	<u>1993</u>
INCOME		
Sales		
Tourism and hotels	\$11,002,530	\$8,261,165
Real estate and retail	7,753,308	2,792,175
Rental	618,449	685,534
Income from investments in significantly influenced companies	142,413	136,143
Other	<u>119,651</u>	<u>243,698</u>
	<u>19,636,351</u>	<u>12,118,715</u>
EXPENSES		
Cost of sales		
Tourism and hotels	4,709,869	3,491,721
Real estate and retail	6,789,123	2,405,429
Rental expense	114,054	84,145
General and administrative	3,809,581	2,943,281
Interest		
Long-term debt	1,332,796	1,195,930
Operating	<u>308,094</u>	<u>161,403</u>
	<u>17,063,517</u>	<u>10,281,909</u>
EARNINGS BEFORE THE FOLLOWING	<u>2,572,834</u>	<u>1,836,806</u>
OTHER		
Depreciation and amortization	1,425,491	1,272,335
Provision for impairment in value of assets	<u>-</u>	<u>246,315</u>
	<u>1,425,491</u>	<u>1,518,650</u>
EARNINGS BEFORE INCOME TAXES	1,147,343	318,156
INCOME TAXES (Note 11)	<u>750,000</u>	<u>300,000</u>
NET EARNINGS	397,343	18,156
DEFICIT, BEGINNING OF YEAR	<u>(940,140)</u>	<u>(958,296)</u>
DEFICIT, END OF YEAR	<u>\$ (542,797)</u>	<u>\$ (940,140)</u>
EARNINGS PER SHARE	<u>\$.009</u>	<u>\$ -</u>

SUNRISE INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

	<u>1994</u>	<u>1993</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Net earnings	\$ 397,343	\$ 18,156
Items not affecting cash		
Deferred income taxes	165,000	(235,000)
Depreciation and amortization	1,425,491	1,272,335
Income from investments in significantly influenced companies	(142,413)	(136,143)
Provision for impairment in value of assets	-	246,315
Gain on disposal of rental properties	-	(122,500)
	<u>1,845,421</u>	<u>1,043,163</u>
Changes in non-cash operating working capital items	<u>(296,351)</u>	<u>(911,624)</u>
	<u>1,549,070</u>	<u>131,539</u>
FINANCING		
Proceeds from long-term debt	1,535,250	4,076,715
Repayment of long-term debt	(1,372,382)	(755,131)
Proceeds from (repayment of) demand loans	350,000	(215,000)
Proceeds from notes receivable	-	40,642
	<u>512,868</u>	<u>3,147,226</u>
INVESTING		
Purchase of capital assets	(1,928,206)	(2,989,824)
Purchase of rental properties	(352,136)	(360,110)
Purchase of properties held for development	(235,902)	(539,346)
Purchase of investments in and advances to significantly influenced companies and other investments	(214,848)	-
Proceeds from disposal of rental properties	-	432,249
	<u>(2,731,092)</u>	<u>(3,457,031)</u>
NET CASH OUTFLOW	(669,154)	(178,266)
(BANK INDEBTEDNESS) CASH, BEGINNING OF YEAR	<u>(74,005)</u>	<u>104,261</u>
(BANK INDEBTEDNESS), END OF YEAR	<u>\$ (743,159)</u>	<u>\$ (74,005)</u>

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

1. DESCRIPTION OF BUSINESS

The Company is a holding company incorporated under the Alberta Business Corporations Act. Its shares are traded on the Alberta Stock Exchange.

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant inter-company transactions have been eliminated. The subsidiaries are:

Jasper Inn Investments Ltd.
Maligne Tours Ltd.
Yellowhead Leasing Company Ltd.
373568 Alberta Ltd.
497751 Alberta Ltd.
Park Place Building Ltd.
Sunrise Auctions Ltd.
Pyramid Construction Inc.
Jasper Travel Agency Ltd.
Yellowhead Equipment Inc.
Onyx Investments Ltd.
Liquor Hut Inc.
581519 Alberta Ltd.

2. ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant accounting policies:

Inventories

Inventories are valued at the lower of cost and net realizable value.

Properties held for development

Properties held for development are recorded at the lower of cost and estimated net realizable value. Cost includes the original purchase price, acquisition costs, interest on debt specifically related to the acquisition of the land, property taxes, and where applicable, development costs. The Company provides for impairment in value of assets in the year of realization as a charge to operations.

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

2. ACCOUNTING POLICIES (continued)

Capital assets, assets on leased land and rental properties

The Company records capital assets, assets on leased land and rental properties at cost. Capital assets, assets on leased land and rental properties acquired in 1989 from related parties were recorded at their fair market values at the time of transfer. Depreciation on these assets is provided using the following annual rates and methods:

Rental buildings	4% declining-balance
Tourism and hotel buildings	4% declining-balance
Retail building	5% declining-balance
Condominiums	4% declining-balance
Tourism marine vessels	15% declining-balance
Parking lots	8% declining-balance
Furniture and equipment	10% - 30% declining-balance
Vehicles	30% declining-balance
Signs	25% declining-balance

The following assets on leased land are depreciated on a straight-line basis over the term of the lease. The Company's land leases are within Jasper National Park and have various lease expiry dates between 2007 and 2022.

Rental buildings
Tourism buildings
Parking lots
Swimming pool
Condominiums

Investments in and advances to significantly influenced companies and other investments

Investments in companies in which the Company has significant influence are accounted for on the equity basis. Other investments are recorded at the lower of cost and net realizable value.

Deferred costs

Costs relating to the leasing of lands located in Jasper National Park have been capitalized. These costs are amortized over the term of the lease.

Goodwill

The excess of the cost of investments in subsidiaries over the fair value of the net assets acquired is recorded as goodwill and is being amortized using the straight-line method over its estimated remaining life of twenty-two to twenty-nine years, for assets on land leases in Jasper National Park, and for five years for all other assets.

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

3. PROPERTIES HELD FOR DEVELOPMENT

	<u>1994</u>	<u>1993</u>
Purchase price of land	\$ 841,449	\$ 682,669
Leasehold interests in property	440,000	440,000
Carrying costs	<u>132,975</u>	<u>55,853</u>
	<u>\$1,414,424</u>	<u>\$1,178,522</u>

Properties held for development include land which is being held for future development considerations. Properties held for development located within Jasper National Park are on leased land which have various lease expiry dates between 2010 and 2011.

Carrying costs include interest capitalized during the year in the amount of \$50,466 (1993 -\$16,546).

4. RENTAL PROPERTIES

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>1994 Net Book Value</u>	<u>1993 Net Book Value</u>
Land	\$2,163,719	\$ -	\$2,163,719	\$2,163,041
Buildings	3,392,531	538,340	2,854,191	2,959,129
Buildings on leased land	2,052,478	523,035	1,529,443	1,598,407
Parking lots	404,960	124,714	280,246	296,368
Signs	<u>21,300</u>	<u>15,403</u>	<u>5,897</u>	<u>7,862</u>
	<u>\$8,034,988</u>	<u>\$1,201,492</u>	<u>\$6,833,496</u>	<u>\$7,024,807</u>

Rental buildings located within Jasper National Park are on leased land which have various lease expiry dates between 2010 and 2022.

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

5. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>1994 Net Book Value</u>	<u>1993 Net Book Value</u>
Land	\$ 742,246	\$ -	\$ 742,246	\$ 687,246
Hotel buildings	3,785,481	397,141	3,388,340	3,306,656
Retail buildings	1,526,794	200,968	1,325,826	1,116,919
Condominium	173,475	10,141	163,334	166,786
Marine vessels	1,340,413	694,348	646,065	529,280
Parking lots	196,493	45,447	151,046	122,729
Furniture and equipment	4,147,756	1,972,102	2,175,654	1,766,234
Vehicles	373,494	226,475	147,019	161,411
Signs	46,542	26,393	20,149	20,500
	<u>12,332,694</u>	<u>3,573,015</u>	<u>8,759,679</u>	<u>7,877,761</u>
Assets on leased land				
Tourism buildings	9,418,753	1,750,451	7,668,301	7,669,817
Parking lots	100,149	14,251	85,898	88,038
Swimming pool	23,864	4,388	19,477	20,178
Condominiums	607,627	91,309	516,318	405,676
	<u>10,150,393</u>	<u>1,860,399</u>	<u>8,289,994</u>	<u>8,183,709</u>
Leasehold improvements				
Something Else				
Restaurant	258,408	143,024	115,384	-
	<u>\$22,741,495</u>	<u>\$5,576,438</u>	<u>\$17,165,057</u>	<u>\$16,061,470</u>

Capital assets located within Jasper National Park are on leased land which have various lease expiry dates between 2007 and 2022.

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

6. INVESTMENTS IN AND ADVANCES TO SIGNIFICANTLY INFLUENCED COMPANIES AND OTHER INVESTMENTS

The Company's investments accounted for on the equity basis and its respective ownership percentages are as follows:

Oxon Enterprises Inc.	(50%)
Thomas Bus Sales (1990) Ltd.	(50%)
Christmas In the Rockies	(50%)
Maligne River Adventures Ltd.	(50%)
Heartland Water Conditioning Ltd.	(25%)
Devon Chevrolet Geo Oldsmobile Ltd.	(50%)

The Company's proportionate share of the underlying net book value of its equity investments approximates the recorded equity position.

Details are as follows:

	<u>1994</u>	<u>1993</u>
Balance, beginning of year	\$1,033,659	\$ 681,606
Advances from entities	(282,563)	(59,790)
Income from investments in significantly influenced companies	<u>142,413</u>	<u>136,143</u>
Balance, end of year	893,509	757,959
Other investments (No quoted market value)	<u>332,437</u>	<u>275,700</u>
	<u>\$1,225,946</u>	<u>\$1,033,659</u>

7. GOODWILL

	<u>1994</u>	<u>1993</u>
Cost	\$879,914	\$715,000
Accumulated amortization	<u>166,182</u>	<u>110,547</u>
	<u>\$713,732</u>	<u>\$604,453</u>

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

8. DEMAND LOAN

	<u>1994</u>	<u>1993</u>
Operating line of credit bearing interest at prime plus 1/4%. The security is described in Note 9 under "Bank Loans"	<u>\$500,000</u>	<u>\$150,000</u>

9. LONG-TERM DEBT

Mortgages

	<u>1994</u>	<u>1993</u>
Mortgage bearing interest at 9-3/4% repayable in blended monthly payments of \$74,110, maturing in February, 1996. The mortgage is secured by an unlimited corporate guarantee and debentures totalling \$7,000,000 granting a floating charge over all assets of a subsidiary company, a first fixed charge over specific land, tourism buildings, furniture and equipment, condominium, and an assignment of rents, leases and insurance	<u>\$6,109,910</u>	<u>\$6,388,682</u>

Mortgages bearing interest at rates of prime plus 1% to 2%, repayable in annual principal payments of \$25,000 plus quarterly interest and blended monthly payments of \$1,565, maturing at various dates from 1996 to 2009. The mortgages are secured by a specific property held for development and a specific rental property	<u>391,153</u>	<u>482,779</u>
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Mortgages bearing interest at rates from 8% to 9-3/4%, repayable in blended monthly payments of \$10,590 and annual principal payments of \$21,843 plus quarterly interest, maturing at various dates from August, 1998 to August, 1999. The mortgages are secured by first fixed charges against a specific condominium and a specific tourism building, assignment of rents and insurance, and a chattel mortgage on specific furniture and equipment	<u>1,060,059</u>	<u>1,016,715</u>
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Carried forward	<u>\$7,561,122</u>	<u>\$7,888,176</u>
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SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

9. LONG-TERM DEBT (continued)

	<u>1994</u>	<u>1993</u>
Brought forward	\$ 7,561,122	\$ 7,888,176
Mortgage bearing interest at 10%, repayable in monthly payments of interest only. The mortgage is secured by a second fixed charge on specific land and retail building, a chattel mortgage on specific furniture and equipment, and assignment of fire insurance proceeds. This mortgage became due and payable July 15, 1994	267,000	364,000
Bank loans		
Bank loans bearing interest at rates of prime plus 1/4% to 1-1/2% and fixed interest rates of 7% to 11-3/4% repayable in monthly payments of \$109,925 including interest. Remaining amortization period is from 3 to 13 years subject to annual loan renewal. The loans mature at various dates from December 1994 to January 1999	7,593,046	7,006,124
The above loans and demand loan (Note 8) are secured by demand debentures and general security agreements granting a fixed and floating charge over all assets of the Company and specific charges against certain properties held for development, rental properties, capital assets and assignment of rents and fire insurance proceeds covering all buildings tourism marine vessels, furniture and equipment and inventories		
	<u>15,421,168</u>	<u>15,258,300</u>
Less current portion	<u>1,538,779</u>	<u>1,444,745</u>
	<u>\$13,882,389</u>	<u>\$13,813,555</u>

Principal repayments due within the next five years are as follows based on bank loans subject to annual loan renewal being refinanced under similar terms:

1995	\$ 1,538,779
1996	7,443,577
1997	808,271
1998	876,804
1999	901,088
2000 and beyond	<u>3,852,649</u>
	<u>\$15,421,168</u>

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

10. SHARE CAPITAL

Authorized

Unlimited Class A common shares
 Unlimited Class B restricted, non-voting shares
 100,000,000 first preferred shares
 20,000,000 preferred, redeemable shares, redemption price to be determined upon issuance

	<u>1994</u>	<u>1993</u>
Issued		
44,367,977 Class A common shares	<u>\$12,271,839</u>	<u>\$12,271,839</u>

11. INCOME TAXES

Income taxes of \$750,000 (1993 - \$300,000) arise because the tax cost of capital assets is less than the carrying value for accounting purposes. The carrying value for accounting purposes was based on the fair market values of the assets at the time they were acquired by the Company. The tax cost of the assets did not change upon their acquisition. Therefore depreciation expense for accounting purposes exceeds capital cost allowance for tax purposes.

The following reconciles income taxes calculated at the combined federal and provincial tax rate with the income tax provision in the consolidated financial statements:

	<u>1994</u>	<u>1993</u>
Income tax based on the combined basic Canadian federal and provincial income tax rate	\$520,000	\$140,000
Tax effect of depreciation greater than capital cost allowance	130,000	130,000
Large corporation tax	100,000	-
Non-deductible expenses and losses	<u>-</u>	<u>30,000</u>
	<u>\$750,000</u>	<u>\$300,000</u>

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

12. SEGMENTED INFORMATION

	1994		1993	
	Tourism and Hotels	Real Estate and Retail	Tourism and Hotels	Real Estate and Retail
	Total	Total	Total	Total
INCOME				
Sales				
Tourism and hotels	\$11,002,530	\$ -	\$ 8,261,165	\$ -
Real estate and retail	(79,316)	7,753,308	(48,900)	2,792,175
Rental		697,765		734,434
Income from investments in significantly influenced companies	46,246	98,167	35,202	100,941
Other	48,838	72,815	41,324	202,374
	<u>11,018,298</u>	<u>8,620,055</u>	<u>8,288,791</u>	<u>3,829,924</u>
		<u>19,638,351</u>		<u>12,118,715</u>
EXPENSES				
Cost of sales				
Tourism and hotels	4,709,869	-	3,491,721	-
Real estate and retail	-	6,769,123	-	2,405,429
Rental	-	114,054	-	84,145
General and administrative	2,705,635	1,103,946	2,267,818	675,463
Interest				
Long-term debt	982,078	350,718	484,697	711,233
Operating	40,783	267,311	34,558	126,845
	<u>8,438,365</u>	<u>8,625,152</u>	<u>6,278,794</u>	<u>4,003,115</u>
	<u>2,577,931</u>	<u>(5,097)</u>	<u>2,009,997</u>	<u>(173,191)</u>
		<u>2,572,834</u>		<u>1,836,808</u>
EARNINGS (LOSS) BEFORE THE FOLLOWING				
Depreciation and amortization	1,010,989	414,502	893,927	378,408
Provision for impairment in value of assets	-	-	86,315	160,000
	<u>1,010,989</u>	<u>414,502</u>	<u>980,242</u>	<u>538,408</u>
		<u>1,425,491</u>		<u>1,518,650</u>
EARNINGS (LOSS) BEFORE INCOME TAXES				
IDENTIFIABLE ASSETS				
CAPITAL EXPENDITURES	\$ 1,568,942	\$ (419,599)	\$ 1,029,755	\$ (711,592)
	<u>\$17,610,239</u>	<u>\$13,240,740</u>	<u>\$17,682,947</u>	<u>\$11,356,853</u>
		<u>\$30,850,979</u>		<u>\$29,039,800</u>
	<u>\$ 983,820</u>	<u>\$ 1,532,424</u>	<u>\$ 2,945,488</u>	<u>\$ 943,792</u>
		<u>\$ 2,518,244</u>		<u>\$ 3,885,280</u>

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

13. RELATED PARTY TRANSACTIONS

Significant transactions with affiliated companies and directors, generally on commercial terms, not disclosed separately in the accompanying financial statements are as follows:

<u>Description</u>	<u>1994</u>	<u>1993</u>
(a) Transactions with companies over which the Company has significant influence		
Capital assets purchased	\$ 2,119	\$ -
Rental income received	85,179	144,583
Retail income received	1,467	42,017
Other income received	81,000	186,637
Vehicles purchased	-	16,570
Accounting revenue received	-	4,600
Transactions with related companies		
Management fees paid	72,000	72,000
Vehicles purchased	15,525	19,969
Vehicles leased	73,032	72,384
Rental income received	72,000	72,000
Retail income received	45,206	4,260
Capital assets purchased	134,921	37,736
Addition to rental properties	883	12,633
Vehicles sold	-	6,000
Investment management services paid	-	18,052
Advertising fees paid	-	14,573
Transactions with directors and shareholders		
Legal service provided	41,388	40,682

SUNRISE INTERNATIONAL INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 1994 AND 1993

13. RELATED PARTY TRANSACTIONS (continued)

	<u>1994</u>	<u>1993</u>
(b) Accounts receivable include the following:		
Due from related companies	\$ 2,677	\$ 1,362
Due from companies over which it has significant influence	5,496	126,383
Accounts payable and accrued liabilities include the following:		
Due to directors	525	1,333
Due to related companies	33,638	4,421
Due to companies over which it has significant influence	19,684	175,717

14. CONTINGENCIES AND COMMITMENTS

- (a) The Company has entered into long-term land lease commitments for land located in Jasper National Park which expire between 2007 and 2022. Land lease payments are determined based on appraised value of the land with \$160,000 due for 1994 for certain leases. In addition a concession levy is payable to Jasper National Park and is determined annually based on certain tourism gross sales.
- (b) The Company has issued letters of credit or guarantees for companies over which it has significant influence in the aggregate amount of \$450,000 as at September 30, 1994.
- (c) The Company has been named as a defendant in a number of legal cases. The plaintiffs are seeking recoveries/damages in the approximate amount of \$550,000. The Company is of the opinion that these claims are without merit and no losses will be incurred. No provision has been made in the accounts for these claims.

15. COMPARATIVE FIGURES

The comparative figures have been restated to conform with the current year's presentation.

